

# Texas State Affordable Housing Corporation

## Gateway Northwest Apartments

1617 Northwest Blvd., Georgetown, Texas 78628

**Owner:** THF Georgetown Gateway Northwest, Ltd.

**Date Built:** 2015

**Management Company:** THF Housing Management Corp.

**Property Manager:** Blaire Bigelow

**Inspection Date & Time:** June 29, 2023 at 9:00 a.m.

**Inspector's Name:** Celina Mizcles Stubbs

<b>Occupancy at Time of Report:</b>	90.5%	<b>Average Occupancy Over Last 12 Months:</b>	92.3%
<b>Number of Units: 180</b>			
<b>Number of One Bedrooms:</b>	40	<b>Number of Two Bedrooms:</b>	84
<b>Number of Three Bedrooms:</b>	56	<b>Number of Four Bedrooms:</b>	N/A

PHYSICAL INSPECTION	YES	NO	N/A
1) Are the access gates in operable condition?			X
2) Is the community monument sign in acceptable condition?	X		
3) Is the perimeter fence surrounding the property in acceptable condition?	X		
4) Are the grounds and landscaping in acceptable condition?	X		
5) Are trees and shrubs properly trimmed?	X		
6) Are the grounds free of erosion, foot paths and tree root elevation?	X		
7) Are sidewalks clean and in good repair?	X		
8) Are parking lots clean, in good repair with handicap parking spaces clearly marked?	X		
9) Are all recreational, common areas and amenity areas clean, maintained, and accessible?	X		
10) Is facility equipment operable and in acceptable condition?	X		
11) Is the area around the waste receptacles clean and are the enclosures in good repair?	X		
12) Is the exterior of the buildings in acceptable condition?	X		
14) Are hallways/breezeways clean and maintained?	X		
15) Are storage/maintenance areas clean, maintained and organized?	X		
16) Are building foundations in good repair?	X		
17) Are the gutters, downspouts, and fascia boards on the buildings in good repair?	X		
18) Do the building roofs appear to be in good condition?	X		
19) Do balconies and upper-level walkways appear to be in good condition?	X		
20) Do windows, blinds, doors, and trim appear to be in good condition?	X		
21) Is Management addressing all health, fire, or safety concerns on the property?	X		
22) Have repairs or corrections recommended or required from the last physical inspection been satisfactorily completed?			X

**COMMENTS:** The property is in overall good condition.

### SECURITY PROGRAM Part I

1) After review of the prior 3 months of police reports, the following incidents were noted and includes the number of times incidents occurred:			
Incident Type	# of Occurrences	Comments:	
Burglary			
Theft			
Criminal Mischief			
Personal Assault	2	Assault - 2	
Drug Related Activity			
Gun Related Activity			
Domestic Violence			
Disturbance	2	Domestic Disturbance -1 and Disturbance -1	
Other	14	Loud Music/Noise – 4, Suspicious Person – 3, Harassment – 3, Criminal Trespassing – 3, and Criminal Mischief – 1	
		YES	NO
			N/A

# Texas State Affordable Housing Corporation

2) Does the property utilize a crime prevention agreement?	X		
3) Does the property take pro-active measures to address crime on property? If so, add comment	X		
4) Are light checks conducted by management staff on a weekly basis? If not, add comment.	X		

**COMMENTS:** The Property Manager confirmed the on-site courtesy office walks the property on random days of the week. Eighteen of the 56 calls listed on the Georgetown Police Department call logs for March through May 2023.

SECURITY PROGRAM Part II	YES	NO	N/A
1) Is the Staff trained to address crime on the property?	X		
2) Is the property free of graffiti and/or vandalism?	X		
3) Are criminal background checks being conducted on all residents over 18 years of age?	X		
4) Are criminal background checks being conducted on residents as they age to be 18 while living in the unit?	X		
5) Has a risk assessment been conducted to determine risk liabilities at the property? If yes, when?	X		

**COMMENTS:** The last risk assessment was completed in the first two quarters of 2023.

OFFICE	YES	NO	N/A
1) Is the office neat, the desk uncluttered?	X		
2) Are accurate office hours posted?	X		
3) Are emergency phone numbers posted?	X		
4) Are the EHO logos clearly posted?	X		
5) Are the following displayed in full view in the leasing office?			
➤ Fair Housing Poster	X		
➤ Occupancy Qualifications	X		
6) Is there a compliance department that ensures the set aside and eligibility requirements are being maintained?	X		
7) Does the property require licenses or permits?	X		
➤ Fire Inspection	X		
8) Are property licenses and permits renewed as required?	X		
9) Are vendor insurance records/binders properly maintained?	X		
10) Are vendors properly screened to ensure proper insurance documents are being maintained?	X		
11) Which of the following community amenities are provided for resident use?			
➤ Playground	X		
➤ Community Room	X		
➤ BBQ/Picnic Area	X		
➤ Laundry Facility	X		
➤ Business Center	X		
➤ Pool	X		
➤ Other	X		

**COMMENTS:**

KEY CONTROL	YES	NO	N/A
1) Does the property use an electronic key tracking system? If not, answer questions 2-5.		X	
2) Are all property keys properly coded?	X		
3) Is key box locked and secured?	X		
4) Is the key code list kept separate from the key box?	X		
5) Are locks being changed during unit turnovers?	X		

**COMMENTS:**

MAINTENANCE PROGRAM	YES	NO	N/A
1) Does the property have a preventative maintenance program that is being followed?	X		
2) Is the maintenance shop clean and organized?	X		

# Texas State Affordable Housing Corporation

3) Does the maintenance area have properly documented MSDS material and chemicals labeled properly?	X		
4) How often are Pest Control services provided? ➤ Management disclosed they have a new pest control vendor that provides services to unit interior weekly.			
5) What is the policy for following up on completed service requests? ➤ The Property Manager follows up on completed work orders at random.			
6) What is the property's after-hours emergency policy? ➤ The after-hour answer service calls go directly to maintenance staff and the property manager.			
7) What capital improvements have been scheduled or completed for this budget year? ➤ The following improvements are scheduled, parking lot stripping and concrete work.			

## Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

8) Unit Interior and Appliance upgrades ➤ A few appliances were replaced when needed.			
9) Building Exterior and Curb Appeal repairs ➤ N/A			
10) Amenity upgrades ➤ N/A			
11) Other repairs or replacements ➤ N/A			

Number of service requests received:	78		
Number of requests open from prior periods:	0		
Number of service requests completed:	67		
Number of service requests completed within 24 hours:	31		
Number of outstanding service requests:	11		

12) On average, how many days does it take to complete a work order? ➤ On average, it takes 2.5 days to complete work orders.			
--	--	--	--

**COMMENTS:** According to the Service Request Activity report dated 6/28/23.

## MARKETING

1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth: Signs and balloons (\$67 monthly)	\$804	4	0
Resident Referral (Current/Prior)			
Locator Service: \$300 per approval	\$0		
Printed/Internet Advertising: The Sun (\$67/weekly), Online advertising \$490/monthly), Apartments247 (\$50/monthly)	\$9,964	38	11
Other Source	\$0	13	4
<b>TOTAL</b>	<b>\$10,768</b>	<b>55</b>	<b>15</b>

**The rental activity reflected in the above table was for the month of: 6/1/23 – 6/30/23**

	YES	NO	N/A
2) Is the property doing bilingual advertising?		X	
3) Does the property have any competitors nearby?	X		
4) Does the property "shop" their competitors?	X		
5) Does the property complete a market survey at least monthly?	X		

**COMMENTS:**

LEASE RENEWAL	YES	NO	N/A
1) Does it appear that an effective lease renewal program is in place? If no, please comment below.	X		
2) What percentage of residents renewed last month, past 6 months, and past 12 months?	Current: 81%	6 months: 84%	12 months: 86%
3) What percentage of move-outs in the last 12 months were due to eviction for non-payment of rent or "skip"?	12.2%		
4) Are lease renewal notices sent to residents at the 120-day, 90-day, 60-day and 30-day timeframes prior the end of the lease contract? If not, comment below.	X		

# Texas State Affordable Housing Corporation

5) Are rent increase notices sent to residents at least 30-days prior to the rent increase implementation?	X		
6) Are individual files being reviewed to determine renewal/non-renewal status?	X		
7) Are renewals and re-certifications tracked and monitored with property management software? I.e., Yardi, Onesite, or Owner/Agent created software?	X		
8) When was the last rent increase implemented? What was the average rent increase? ➢ A \$50 rent increase was implemented in September 2022.			
9) How many households are currently on month-to-month leases? ➢ N/A			
10) What is the charge for month-to-month leases? ➢ N/A			
<b>COMMENTS:</b>			

VACANT/MAKE READY UNITS	
1) Number of vacant units at time of activity report:	19
2) Number of completed made ready units at time of activity report:	4
3) Number of completed one-bedroom units at time of activity report:	1
4) Number of completed two-bedroom units at time of activity report:	4
5) Number of completed three-bedroom units at time of activity report:	0
6) Number of uncompleted made ready units at time of activity report:	15
7) Number of uncompleted one-bedroom units at time of activity report:	0
8) Number of uncompleted two-bedroom units at time of activity report:	8
9) Number of uncompleted three-bedroom units at time of activity report:	7

Units Walked	
Unit #	Brief Description
125	2x2 (241 days vacant): Unit is made-ready.
614	2x2 (299 days vacant): Unit is made-ready.
624	2x2 (272 days vacant): Unit is made-ready.
922	2x2 (234 days vacant): Unit is not made-ready. See finding.

Down Units Walked (units vacant and unready for extended period and all down units)			
Unit #	Brief Description		
922	2x2 (234 days vacant): Unit is not made-ready. See finding.		
		YES	NO
1) Does the Unit Availability Report match the make ready board?		X	
2) Are units being turned in a timely manner?			X
3) Are there any down units?		X – see comment	
4) Are there vacant units that have been vacant for an extended period? If so, please comment below.		X	
5) Is management utilizing property software (i.e., Yardi, Onesite, or an owner/agent created) to monitor the timely preparation of units? If not, comment.		X	
6) How often are occupied units inspected? ➢ Occupied units are inspected: Quarterly			
7) How often are vacant units inspected? ➢ Vacant units are inspected: Weekly			
8) How many vacant units are in progress of being made ready? ➢ There are 15 vacant units in the make-ready process.			
9) What is the company policy on the number of days to turn vacant units? ➢ It is company policy to turn units within 5 business days.			

**COMMENTS:** Based on the Availability report dated 6/28/23, there are several units that are vacant for an extended period. The units walked were vacant for an average of 261 days. The reviewer was able to determine that all but one unit were made-ready.

**Finding:**

- **Down Unit: Unit 922 is considered down because it is not made-ready and available for rental on a continuous basis to members of the general public. Management must submit a copy of the completed work order or paid invoices to support that unit 922 is made-**

# Texas State Affordable Housing Corporation

ready and available for occupancy.

BUDGET MANAGEMENT						YES	NO	N/A
1) Are three bids solicited to obtain materials, supplies, and services?						X		
2) Have there been any large, unexpected repairs or purchases that have negatively affected the current budget? If so, comment below.							X	
3) Explain YTD variances of 10% of greater in the chart below.								
<b><u>Expense Items that Varied by 10% or Greater from the Budget for Year-to-Date Operations Ending</u></b>								
(Please note that a positive variance is under budget and a negative variance is over budget.)								
EXPENSE ITEM		ACTUAL	BUDGET	VARIANCE	%	EXPLANATION		
Payroll & Related		\$85,677	\$97,098	\$11,420	11.7%	Dental Insurance and Life Insurance		
Administrative Expenses		\$65,553	\$48,728	(\$16,825)	(34.5%)	Eviction, Audit Fees, Late Fees and Contract Labor		
Marketing Expenses		\$3,962	\$4,464	\$501	11.2%	Flags/Poles		
Operating & Maintenance Expenses		\$5,720	\$10,328	\$4,607	44.6%	Make-Ready – Appliances/Electrical/Plumbing/Other		
Maintenance & Repair		\$20,914	\$25,348	\$4,433	17.4%	Materials– Pool/Landscaping & Irrigations/Exterior Lights		
COMMENTS:								

REVENUE			
FOR THE MONTH ENDING: April 2023		YEAR TO DATE AS OF: April 2023	
Gross Potential	\$241,321	Gross Potential	\$965,284
Budgeted Rental Income	\$187,677	Budgeted Rental Income	\$750,708
Actual Rental Income Collected	\$177,200	Actual Rental Income Collected	\$697,707
Variance + (-)	(\$10,476)	Variance + (-)	(\$53,000)
Other Revenue	\$974	Other Revenue	\$7,079
Total Budgeted	\$192,025	Total Budgeted	\$768,100
Total Collected	\$184,119	Total Collected	\$720,899
Variance + (-)	(\$7,905)	Variance + (-)	(\$47,200)
COMMENTS:			

ACCOUNTS PAYABLE					YES	NO	N/A
1) Is the payable report up to date?					X		
2) Is the property in good standing with all vendors?					X		
3) Are invoices processed weekly?					X		
COMMENTS: The Vendor Aging Repot dated 5/31/2023 was utilized to complete this section.					0-30 Days:		\$53,888
					30-60 Days:		\$383
					60 Days and Over:		\$413
					TOTAL		\$54,684

DELINQUENCIES					YES	NO	N/A
1) Is the delinquency report up to date?					X		
2) What is the rent collection policy?							
➤ Rent is due on the 1 <sup>st</sup> and late on the 6 <sup>th</sup> . An initial fee of \$25 plus \$5 daily fees due until rent is paid.							
3) When is legal action taken against delinquent accounts?							
➤ On the 5 <sup>th</sup> , management serves a 3-day notice to vacate.							
4) Does the property currently have any resident(s) under eviction?						X	
5) Does Housing have any outstanding balances?						X	
COMMENTS: The Delinquent and Prepaid report dated 6/28/2023 was utilized to complete this section.					0-30 Days:		(\$8,883)
					30-60 Days:		(\$84)

# Texas State Affordable Housing Corporation

	60 Days and Over:		(\$3)
	TOTAL		(\$8,970)

RETURNED CHECKS	YES	NO	N/A
1) Total number of returned checks in the past 3 months:		1	
2) Has the manager collected and deposited all returned checks?	X		
3) Is the manager following company policy on returned checks?	X		
COMMENTS:			

PERSONNEL	YES	NO	N/A
1) Does owner/agent have a system/procedure for providing field supervision of on-site personnel?	X		
2) Does the property appear to be adequately staffed?	X		
3) Is overtime being controlled?	X		
4) Were requested pre-audit reports submitted on time?	X		
5) Does it appear that personnel are team oriented?	X		
6) Was management staff prepared for the site visit?	X		
7) Has staff turnover occurred since the last site review?	X		
8) Are weekly staff meetings held?	X		
9) Have personnel been trained in Fair Housing?	X		
10) List training staff has received in the past year.			
➤ Management staff is required to take various trainings via Easy MLS and Onsite.			
COMMENTS:			

OWNER PARTICIPATION	YES	NO	N/A
1) Does the owner have access to the software system utilized to manage the property?	X		
2) Is site management required to submit weekly reports to the owner?	X		
3) Are the funds for needed capital improvement items, turning of units, and marketing campaigns released by the owner according to what has been budgeted?	X		
4) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds?			
➤ The Property Manager requires owner's approval for any amount over \$500.			
COMMENTS:			

SUMMARY OF OBSERVATIONS AND FINDINGS
<p>No Observations.</p> <p>Finding:</p> <ul style="list-style-type: none"> <li>Down Unit: Unit 922 is considered down because it is not made-ready and available for rental on a continuous basis to members of the general public. Management must submit a copy of the completed work order or paid invoices to support that unit 922 is made-ready and available for occupancy.</li> </ul>



# Texas State Affordable Housing Corporation





# Texas State Affordable Housing Corporation





# Texas State Affordable Housing Corporation

Unit 614



# Texas State Affordable Housing Corporation





# Texas State Affordable Housing Corporation

